

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 94-584-G - ORDER NO. 94-934
SEPTEMBER 7, 1994

IN RE: Application of South Carolina Electric) ORDER
 & Gas Company for Adjustments in the) DENYING
 Company's Gas Rates and Tariffs.) REQUEST

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of South Carolina Electric & Gas Company (SCE&G or the Company) to consolidate the scheduled rate of return on equity hearing in the Weather Normalization Adjustment (WNA) Docket with an anticipated rate case. This request was combined with a Letter of Intent dated September 1, 1994. The Consumer Advocate has filed a letter in opposition to the request.

In our Order No. 94-805, we established a bifurcated proceeding with regard to SCE&G's WNA. First, we ruled that continuation of the WNA would be considered in one portion of the hearing, and a separate hearing would be held on the effect of the WNA on the rate of return on equity in the second portion of the proceeding. In our Order No. 94-875, this Commission approved continuation of the WNA, but noted that a hearing on the effect of the WNA and other factors on the Company's rate of return on equity of the firm gas operations of SCE&G will be held

separately.

After due consideration of the request of SCE&G, we hold that the request must be denied. The September 1, 1994 Letter of Intent notes that SCE&G intends to file an Application for a General Rate Increase for adjustment in the Company's natural gas rate schedules and tariffs in the Spring of 1995. Granting a consolidation of the rate of return issue as affects the WNA with a rate case would delay any consideration of the rate of return of SCE&G's firm gas operations without good cause. As was stated, prior Commission Orders evidence an intent to examine the effect of the WNA on the rate of return on equity as soon as is practical. See, Order No. 94-805. We therefore believe that the consolidation request of the Company is antithetical to this purpose, and must be denied.

IS IS THEREFORE ORDERED THAT:

1. The request of SCE&G for consolidation of the scheduled rate of return hearing in the Weather Normalization Adjustment case, and the anticipated rate case is hereby denied.

2. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director
(SEAL)